

Message Text

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PAGE 01 ROME 09241 061508Z
ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-01
INR-07 NSAE-00 USIA-15 XMB-04 OPIC-06 SP-02
LAB-04 EPG-02 SIL-01 OMB-01 NSC-05 SS-15 STR-04
CEA-01 PA-02 PRS-01 /096 W
-----061547Z 084073 /45

R 061351Z JUN 77
FM AMEMBASSY ROME
TO SECSTATE WASHDC 5094
TREASURY DEPT WASHDC

UNCLAS ROME 9241

PASS FRB

E.O. 11652 N/A
TAGS: EFIN, IT
SUBJ: PRESS REPORTS 200 MILLION DOLLAR EUROCREDIT TO ITALY

1. THERE HAVE BEEN SEVERAL RECENT REPORTS IN THE PRESS,
BOTH IN THE /INTERNATIONAL HERALD TRIBUNE/ AND IN ITALIAN
PAPERS, THAT THE STATE-OWNED SPECIAL CREDIT INSTITUTE,
ISTITUTO MOBILIARE ITALIANO, WOULD SHORTLY RETURN AS BORROWER
IN THE EUROMARKET. MILAN'S /24 ORE/ REPORTED
(JUNE 3) THAT IMI HAD OBTAINED A LOAN OF DLR 200 MILLION
FROM A MORGAN GUAANTY LED CONSORTIUM OF 6 US, 3 EUROPEAN,
AND ONE JAPANESE BANK. THE LOAN IS SUPPOSED TO HAVE
A TERM OF 6 YEARS AND AN INTEREST RATE OF 1.3/8 PERCENT OVER
LIBOR. THIS SPREAD WOULD BE CONSIDERED NORMAL ON A LOAN OF THAT
MATURITY.

2. ITALIAN BANKS HAVE HAD NO DIFFICULTY BORROWING SHORT TERM.
IN FACT, THEIR NET SHORT-TERM DEVTOR POSITION ROSE TO OVER DLR 5.7
BILLION AS OF MID-MAY FROM ABOUT DLR 3 BILLION AT THE END OF 1976.
IN ADDITION, THE COMMERCIAL BANK ISTITUTO SAN PAOLO DI TORINO
RECENTLY BORROWED DLR 30 MILLION AT A SPREAD OF ONE PERCENTAGE
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POINT OVER LIBOR BUT MOST PROBABLY FOR A TERM OF ONLY 2 OR
3 YEARS. THE 6-YEAR IMI LOAN WOULD BE THE FIRST LARGE MEDIUM TERM
EUROCREDIT TO AN ITALIAN BORROWER SINCE 1974. THE PROCEEDS WILL
BE USED TO FINANCE THE GG EXPORT OF CAPITAL GOODS.GARDNER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, CREDIT, EURODOLLAR, LOANS, BANKS
Control Number: n/a
Copy: SINGLE
Sent Date: 06-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977ROME09241
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770201-0027
Format: TEL
From: ROME
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770687/aaaacycy.tel
Line Count: 59
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 553b3984-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 25-Oct-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2262246
Secure: OPEN
Status: NATIVE
Subject: PRESS REPORTS 200 MILLION DOLLAR EUROCREDIT TO ITALY
TAGS: EFIN, SOPN, IT, ISTITUTO MOBILIARE ITALIANO
To: STATE TRSY
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/553b3984-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009